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C O N F I D E N T I A L SEOUL 000897

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TAGS: PGOV PINR PREL KS
SUBJECT: GNP OVER A BARREL ON NORTH KOREA POLICY

Classified By: DCM Bill Stanton. Reasons 1.4 (b,d).

¶11. (C) SUMMARY: In the wake of initial progress in the Six-Party Talks, the conservative opposition Grand National Party (GNP) has recently started to moderate its criticism of engagement with North Korea. One GNP lawmaker justified possibly adjusting GNP policy to the new political climate, saying, "it is only natural to wear spring clothes in spring." The GNP has formed an eight-member Task Force to evaluate its North Korea policy and to recommend the way forward; results are not expected until April. At a March 22 dinner with the DCM, several conservative GNP lawmakers expressed concern that the U.S. does not understand that the DPRK's return to negotiations was mainly aimed at ensuring another pro-North Korea winner in the ROK's December 19 presidential elections. END SUMMARY

TASK FORCE TO DETERMINE NEW STANCE

¶12. (C) After a GNP policy planning meeting on March 13 when leading GNP foreign policy experts demanded a shift toward endorsing engagement with the North, the GNP formed a task force to revise its North Korea policy. According to Chung Chan-soo, a member of the task force, the new North Korea policy should not be issued before April, after it becomes clear whether North Korea is really committed to denuclearization. Chung said that individual lawmakers pressing for immediate rectification of the GNP's policy before the DPRK's intentions were known were misguided. GNP Party Chairman Kang Jae-sup and floor leader Kim Hyoung-o both staked out more flexible positions in statements on March 14, 2007. Kim, in an interview with SBS, said, "there is no reason to object to humanitarian aid to North Korea." He added there was no reason to oppose a possible North-South summit.

GNP'S FEARS

¶13. (C) At a March 22 dinner for GNP members, the group of three lawmakers and two ex-lawmakers did not offer a clear view on a possible GNP shift toward engagement. They stressed that in light of a renewed "peace mood" in Korea, the GNP faced a dilemma -- should it do more to "keep up" with the U.S. in engaging North Korea, or should it guard its firm stance toward the DPRK. Rep. Song Young-sun, a member of the GNP's policy task force, would not give the DCM any

hint as to what the GNP's new policy toward North Korea might be, saying only that, "the new policy will be similar to current policy." In contrast, Rep. Lee Kang-too said any new policy would stress reciprocity.

¶4. (C) Even if the GNP lawmakers could come to understand the U.S. position toward North Korea, Song said the challenge for the GNP was how to explain to their conservative base a shift in their policy without saying the Uri Party's North Korea policy was correct. In the current zero sum game, any movement the GNP made toward the Uri Party's engagement policy would signal that former President Kim Dae-jung and current President Roh Moo-hyun had the right policy all along. Yet, absent any credible and attractive change in policy, a GNP candidate could not win the December presidential election. Similarly, GNP Rep. Maeng Hyung-kyu warned that the "changed" U.S. policy toward North Korea had left the GNP in an awkward position. He asserted that the U.S. had unwittingly played into the progressives' hands by pursuing engagement with the North during this election year.

KIM JONG-IL: DICTATOR, KINGMAKER, STRATEGIST

¶5. (C) Former lawmaker Lee Sei-ki said that the U.S. was underestimating Kim Jong-il's influence in South Korea and that the campaign was between the united progressive forces of Kim Dae-jung, Roh Moo-hyun and pro-Kim Jong-il supporters versus the GNP. "All three of these individuals support the Uri Party. Who is supporting the GNP candidates?" Song asked. Song and Lee both passionately stated that Kim Jong-il was a potent force in South Korean politics. More stridently, the outspoken Song accused the U.S. of being "gullible" about North Korea and said the USG should understand that Kim Jong-il had signed the February 13 "Initial Actions" agreement only to influence the ROK's December elections to ensure the election of another "progressive" like President Roh Moo-hyun. Song also explicitly asked more than once whether the U.S. would support the GNP, arguing that a GNP President would be better for the United States as well as Korea.

¶6. (C) Lee Sei-ki also said the U.S. was underestimating the cunning of Kim Jong-il. Kim decided to seek a deal with the U.S. on February 13 because he knew the U.S. Administration was tired after its prolonged efforts in Iraq; the U.S. campaign season for the 2008 presidential elections had already heated up; and the ROK presidential election campaigns were in full swing. Given these three factors, Kim Jong-il felt the conditions were right to seize the moral high ground by offering to negotiate. According to Lee, Kim Jong-il's ultimate goal was to force the U.S. military off the peninsula through active North-South engagement and cooperation.

COMMENT

¶7. (C) Many in the GNP fear they are behind the curve on engagement and are struggling to find a way to catch up with the currently improving relations with the North. In addition, they are concerned U.S. policy may be accelerating toward further engagement without a corresponding and complementary shift by the GNP. Many conservatives in Korea, while still doubting North Korea's intentions, are trying to cater to their conservative base while at the same time, presenting a more flexible image to the Korean public with a "new" engagement policy. The GNP is being pulled in two directions -- pro-U.S. and anti-North Korea -- while on March 26 President Roh Moo-hyun publicly stated Korea should maintain friendly relations with both the U.S. and North Korea to survive.

VERSHBOW